

EXHIBIT A

2 UNITED STATES BANKRUPTCY COURT
3 DISTRICT OF DELAWARE

5 | In the Matter of:

6 RAVN AIR GROUP, INC., et al., Case No.
7 Debtors. 20-10755 (BLS)

15 | Page

11:10 AM

19 | B E F O R E:

20 HON. BRENDAN L. SHANNON

U.S. BANKRUPTCY JUDGE

23 ECR OPERATOR: DANA L. MOORE

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2 Debtors' Motion for Orders (I) (A) Authorizing and Approving the
3 Bidding Procedures, (B) Approving Procedures Related to the
4 Assumption of Certain Executory Contracts and Unexpired Leases,
5 (C) Approving the Notice Procedured, (D) Authorizing Entry Into
6 One or More Stalking Horse Agreements, and (E) Setting a Date
7 for the Sale Hearing; and (II) Authorizing and Approving (A)
8 the Sale of Certain Assets Free and Clear of All Liens, Claims,
9 Encumbrances and Interests, (B) the Assumption and Assignment
10 of Certain Contracts, and (C) Payment of Bid Protections, If
11 Applicable [Dkt. No. 197; 05/14/2020]

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25 Transcribed by: Emily Howard

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9 ALSO PRESENT:

10 THOMAS HSIEH, CEO, FLOAT Shuttle, Inc.

11 ROB MCKINNEY, FLOAT Shuttle, Inc.

12 RICHARD F. NEWMAN, Managing Director, Alvarez & Marsal

13 MATTHEW HENRY, Alvarez & Marsal

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1 P R O C E E D I N G S

2 THE COURT: Good morning, all. This is Judge Shannon.
3 I understand from the operator that all necessary parties are
4 on the call today. This is a telephonic and video hearing in
5 the Ravn Air Group family of cases, case number 20-10755. This
6 is the adjourn date. It had originally been scheduled for
7 yesterday, but I had to move it today because of a scheduling
8 conflict. I apologize if that was burdensome on any party.
9 But we are here on a single matter which relates to the
10 debtors' ongoing sale process.

11 Before we begin, I would make the following
12 observation. On the east coast here, we are in the midst of a
13 tropical storm. Hang on just a second. I'm going to ask that
14 anyone that's not speaking to the Court right now, please place
15 your phone on mute. We're getting a lot of feedback and a lot
16 of sound. Thank you.

17 So anyway, here on the east coast, and particularly in
18 Delaware, we're in the midst of a tropical storm. My
19 understanding is that at least a good chunk of my staff at home
20 have lost power, so I'm concerned that we may lose some of the
21 participants in our proceeding today. But it looks like I can
22 see most of the major players. So we're going to go forward.
23 I have also noticed that the lights in this building have
24 flickered, so if you lose me, we'll see you tomorrow.

25 But with that, I appreciate your patience and I'll

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1 bidders had not colluded and that there was a representative
2 from each bidder present with authority to bind the bidder, the
3 auction was recessed for four hours, during which time the
4 debtors conferred with all of the bidders to try to get them to
5 increase their prices. And for most of them, they were able to
6 get higher prices based on those discussions.

7 Ultimately, the debtors sold five additional lots,
8 including the debtors' Part 135 certificates, much of the
9 debtors' remaining real property and some additional aircraft.
10 And as a result of all of those sales, the debtors, at this
11 point, have generated over fifty-five million dollars in
12 proceeds. And I'll just remind Your Honor and the other
13 parties that fifty-five million dollars is the magic number
14 after which the general unsecured creditors are able to share
15 in the sale proceeds. And the debtors still have some
16 additional unsold assets, including valuable spare parts
17 inventory remaining that can be sold through the liquidating
18 trust.

19 I want to briefly address the statement of Wexford
20 that Your Honor alluded to at the beginning of this hearing.

21 THE COURT: Ms. Kim, before you turn to that, or this
22 may be part of turning to that, I just want to make sure I
23 understand the debtors' position. I think, as it relates to
24 the Part 121, the debtors' position is that these were sold and
25 that the sale was approved earlier in -- I guess on the 9th of

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1 July. Am I correct in that? The 121 certificates were not the
2 subject of the very recent auctions and proceedings you just
3 described.

4 I just want to make sure -- we've got a lot of
5 different parts and I just want to make sure I have a handle on
6 the current state of play.

7 MS. KIM: That is correct, Your Honor. At the July
8 9th hearing, and the reason that we had pushed back the hearing
9 by an hour was in order to be able to have that sale, the sale
10 to FLOAT of the Part 121-related assets brought before Your
11 Honor for approval on July 9th. And in fact, Your Honor did
12 approve that sale on July 9th.

13 And that's actually one of the issues with the
14 statement that Wexford filed last night, is that it's not at
15 all clear what the procedural posture of that statement is.
16 Putting aside the fact that as the Court is well-aware,
17 disappointed bidders -- the standing of disappointed bidders is
18 not as aggrieved creditors and they lack standing to oppose a
19 sale in the absence of evidence of inherent unfairness.

20 THE COURT: Yeah, although the Court has generally
21 looked at aggrieved bidders as not having standing to complain
22 about the debtors' business judgment, but that they always have
23 standing to challenge the sufficiency or integrity of the
24 process. And my approach on the standing question is to
25 conduct the hearing and then decide standing at the end of it.

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1 So why don't we move on?

2 MS. KIM: Thank you, Your Honor. I was going to say,
3 though, that that opportunity to bring that complaint would
4 have been on July 9th at that sale hearing, when the FLOAT sale
5 was up for approval before the Court and the Court was
6 considering it. And in fact, both Mr. Wolfshohl and Mr.
7 Schmidt, according to the transcripts, were present at that
8 hearing. So to the extent it's an objection, it's an objection
9 to a sale that the Court approved at the sale hearing three
10 weeks ago, and not a sale that's being considered at today's
11 hearing.

12 To the extent it's a motion, it's not at all clear
13 what the -- what Wexford is asking the Court to do. But let me
14 just -- I will talk a little bit about the process and the
15 fairness of the process. The fact is that every decision that
16 the debtors made with respect to accepting the bids was made
17 with the full involvement and support of the lenders and the
18 committee and was after two robust days of discussions during
19 recesses in the auction, when -- and Your Honor is well-aware
20 that the public portion of an auction is not the sole part of
21 an auction. There's a lot of discussions in the hallway or, in
22 our case, in Zoom breakout sessions and separate phone calls
23 that takes place during -- in between the auction that's really
24 part of that bid process.

25 These sales were arm's length transactions and were

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2 C E R T I F I C A T I O N

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4 I, Emily Howard, certify that the foregoing transcript is a
5 true and accurate record of the proceedings.

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7

8  August 6, 2020

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10 EMILY HOWARD (CDLT-219) DATE

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